

**Abstract of the Disclosure**

An aqueous coating composition comprising

- (a) 10 to 60 wt% of an aqueous dispersion comprising water and one or more water-dilutable binders selected from the group of polymethacrylic, polyacrylic, polyester, polyurethane, hybride polyacrylic/polyester or polyacrylic/polyurethane, epoxy modified binders, with linear, branched or star structure and any mixtures thereof, the amount of said water constituting at least 15 wt% based on the total weight of said component a),
- (b) 5 to 40 wt% of one or more water-dispersible polyisocyanates or mixtures of water-dispersible and water-emulsifiable polyisocyanates, blocked or unblocked,
- (c) 5 to 70 wt% of filler material,
- (d) 1 to 40 wt% of a ground polymer material,
- (e) 0 to 15 wt% of organic co-solvents,
- (f) 0.01 to 15 wt% of additives, pigments and fillers, and
- (g) 3 to 30 wt% of water and

the invention is directed to a process for applying the aqueous coating to substrates to form decorative surfaces and to the resulting coated substrates.